

Message Text

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ACTION EUR-12

INFO OCT-01 ARA-06 ISO-00 CIAE-00 DODE-00 PM-04 H-02

INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15

USIA-06 COME-00 EB-07 LAB-04 SIL-01 HEW-04 OMB-01

TRSE-00 /082 W

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R 241710Z SEP 76

FM AMEMBASSY PARIS

TO SECSTATE WASHDC 5360

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

USMISSION EC BRUSSELS

AMEMBASSY COPENHAGEN

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AMCONSUL BORDEAUX

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AMCONSUL NICE

AMCONSUL STRASBOURG

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E.O. 11652: N/A

TAGS: PLAB, FR

SUBJECT: UNION RESPONSE TO THE BARRE PLAN

1. SUMMARY: AT A JOINT PRESS CONFERENCE ON 23 SEPT.
SEGUY OF CGT, MAIRE OF CFDT AND HENRY OF FEN ANNOUNCED
THEIR DECISION TO CALL "A NATIONAL DAY OF STRIKE AND
MARCHES" ON 7 OCTOBER TO PROTEST THE BARRE PLAN AND
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TO DEMAND PROTECTION OF WORKERS' PURCHASING POWER.

SEGUY WAS THE MOST SWEEPING IN HIS CRITICISM, REPEATING HIS EARLIER STATEMENT CALLING THE PLAN "A BRUTAL ATTACK AGAINST THE WORKERS' PURCHASING POWER." MAIRE STRESSED CFDT'S POINT OF VIEW THAT THE PLAN "MAINTAINS AND AGGRAVATES THE SOCIAL INEQUALITIES" OF FRENCH SOCIETY. HENRY FOCUSED ON FACT THAT THE PLAN FREEZES PRICES FOR THREE MONTHS AND SEEKS TO CONTROL WAGES FOR OVER A YEAR. HE, TOO, SPOKE OF INEQUALITIES.
END OF SUMMARY.

2. A JOINT DECLARATION BY THE THREE ORGANIZATIONS CALLING ON ALL "CATEGORIES OF WORKERS" (A CLEAR INVITATION TO MANAGERIAL PERSONNEL) OF ALL SECTORS OF THE ECONOMY TO JOIN IN THE STRIKE AND MARCHES OF 7 OCTOBER TO PROTEST THE AUSTERITY PROGRAM AND TO DEMAND NEGOTIATIONS FOR STANDARD DEMANDS SUCH AS INCREASED PURCHASING POWER, FULL EMPLOYMENT, REDUCTION OF WORK WEEK, BETTER EDUCATION, EXPANSION OF TRADE UNION RIGHTS, ETC. ONLY NEW ENTRY IN THE SHOPPING LIST IS THE DEMAND FOR A THOROUGH REFORM OF THE TAX SYSTEM TO LIGHTEN THE BURDEN OF THE WORKING CLASS, TO TAX CAPITAL, INCREASE LEVY ON BIG COMPANIES AND FIGHT TAX EVASIONS.

3. THE MODERATE UNIONS (FO-CFTC AND CGC) ARE REFUSING TO GO ALONG WITH THE 7 OCTOBER INITIATIVE.

4. CFDT SOURCES TOLD LABATT THAT THE NEGOTIATIONS WITH THE CGT ON THE BARRE PLAN WERE DIFFICULT. CFDT FELT THAT THE RANK AND FILE IS NOT READY FOR A MAJOR STRIKE ACTION AND THEREFORE IT WOULD HAVE BEEN BETTER TO PREPARE A GRADUATED RESPONSE TO TEST WORKER REACTION. CGT, HOWEVER, WAS ADAMANT IN ITS VIEW THAT A MASSIVE RESPONSE WAS NEEDED TO CREATE A SHOCK EFFECT AND THEREBY SENSITIZE PUBLIC OPINION.

5. THE CGT ARGUED ALSO THAT THE 24-HOUR STRIKE SHOULD BE CALLED FOR 5 OCTOBER TO COINCIDE WITH THE OPENING OF THE PARLIAMENTARY SESSION. THE CFDT OBJECTED ON THE GROUNDS THAT SUCH A COINCIDENCE WOULD HAVE "OVER LIMITED OFFICIAL USE

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POLITICIZED" THE STRIKE ACTION.

6. THE CFDT WAS ALSO SUCCESSFUL IN OBTAINING FEN PARTICIPATION IN THE STRIKE ACTION AGAINST A NEGATIVE ATTITUDE ON THE PART OF CGT, WHICH HAS STILL TO "FORGIVE" FEN FOR SIGNING THE 1976 PUBLIC SERVICE AGREEMENT. HERETOFORE CGT HAD INSISTED THAT FEN RENEGE ON THAT SIGNATURE AS A CONDITION TO RESTOR-

ING CGT-FEN RELATIONS.

7. THERE ARE SEVERAL INTERESTING ASPECTS IN THE FORE-
GOING DEVELOPMENTS:

(A) THERE IS FIRST THE SPEED WITH WHICH THE CGT BORE
DOWN ON THE BARRE PLAN, LEAVING NO DOUBT WITH ALL
OBSERVERS THAT THE PC-CGT HAD DECIDED IN ADVANCE TO
CONDEMN THE PLAN REGARDLESS OF ITS CONTENT. THIS
STRATEGY CAN BE EXPLAINED BY THE PC-CGT CONSTANT
DRIVE TO PREEMPT ANTI-GOVERNMENT POSTURING AND
RHETORIC AND THUS DEMONSTRATE THE PARTY'S IDEOLOGICAL
PREEMINENCE IN ITS COMPETITION WITH THE SOCIALISTS.

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(B) THERE CAN BE NO DOUBT THAT THE JOINT CGT-CFDT-FEN ACTION REPRESENTS A FEATHER IN CGT'S HAT SINCE IT WAS FIRST TO TAKE A FIRM STAND AGAINST THE BARRE PLAN AND TO CALL FOR SUCH MASSIVE REACTION.

(C) THE OBVIOUS HASTE WITH WHICH THE DECISION TO STRIKE WAS TAKEN BEFORE THERE WAS EVEN TIME TO FULLY
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ANALYZE THE IMPLICATIONS OF THE BARRE PROGRAM CONFIRMS THE POLITICAL MOTIVATION OF THE STRIKE ACTION AT LEAST AS FAR AS CGT IS CONCERNED, AND REDUCES THE CREDIBILITY OF THE CRITIQUE OF THE PLAN AND THE JUSTIFICATION FOR SUCH A DRASTIC RESPONSE.

(D) THE PARTICIPATION OF FEN HAS RAISED A GOOD NUMBER OF EYEBROWS IN THE PARIS CIRCLES. SO FAR THE FEN LEADERSHIP HAD SHOWN WILL AND ABILITY TO KEEP THE CGT AT ARMS LENGTH AND TO FOLLOW A COURSE OF A PRAGMATIC UNIONISM. HOWEVER, FEN IS CONSTANTLY UNDER PRESSURE FROM TWO OF ITS LARGEST AFFILIATES, NAMELY THE UNION OF UNIVERSITY PROFESSORS AND SECONDARY SCHOOL TEACHERS, WHICH ARE UNDER COMMUNIST CONTROL. FURTHERMORE, HENRY TOLD LABATT THAT AS FAR AS HE AND COLLEAGUES ARE CONCERNED, IT WAS IMPARTANT AT THIS PARTICULAR POINT TO PROVE THAT FEN CAN DEAL WITH CGT ON AN EQUAL BASIS AND THUS RESIST ANY NOTION OF PRECONDITIONS FEN MUST MEET BEFORE IT CAN BE ACCEPTED AS AN INTERLOCUTOR BY THE CGT. THE OBSERVER WILL BE TEMPTED TO JUDGE HENRY'S REASONING AS SHORT-SIGHTED, BUT MYSTERIOUS ARE THE WAYS OF FRENCH LABOR POLITICS AND SOME RETICENCE IN PASSING SUCH JUDGMENT WOULD BE MORE THAN JUSTIFIED.

(E) CGT AND CFDT HAVE BEEN AWARE FROM THE BEGINNING OF THIS YEAR'S RENTREE THAT THEIR CREDIBILITY AND INFLUENCE WITH TEIR RANK AND FILE WERE NOT QUITE WHAT THEY USED TO BE. FOR THE FIRST TIME IN MANY YEARS THE RENTREE RHETORIC WAS NOTABLY LACKING IN ANY REFERENCE TO THE TRADITIONAL "HOT FALL" THREAT. IT WAS OBVIOUS THAT CGT-CFDT WERE FINDING THEMSELVES IN A SITUATION WHERE SPEECH-MAKING AND COMMUNIQUE-PRINTING WERE TO BE THE ONLY MEANS OF MAINTAINING A PRESENCE ON THE PUBLIC SCENE. HENCE THE BARRE PLAN

WAS A GIFT FROM HEAVEN, SEIZED EAGERLY IN THE HOPE THAT IT CAN STIMULATE A RANK AND FILE RESPONSE TO UNION EXHORTATIONS.

8. COMMENT: THIS BRINGS US TO THE QUESTION OF WHAT IS LIKELY TO HAPPEN ON 7 OCTOBER. WE CONTINUE TO LIMITED OFFICIAL USE

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BELIEVE THAT THE FRENCH WORKER WILL USE HIS COMMON SENSE AND WILL SEE THROUGH THE POLITICAL NATURE OF THE STRIKE. FURTHERMORE, THE RANK AND FILE HAS RECOGNIZED THE NEED FOR DRASTIC ACTION TO CURB INFLATION AND IS PSYCHOLOGICALLY PREPARED TO ACCEPT SOME TIGHTENING OF THE BELT. IN THE VIEW OF MOST OBSERVERS, THE BARRE PLAN CONTAINS ENOUGH EVIDENCE OF GOVERNMENTAL CONCERN FOR EQUITY IN IMPOSING SACRIFICES AS TO RENDER CGT'S WILD ALLEGATIONS INCREDIBLE. BARRE PERSONALLY HAS ALREADY SUCCEEDED IN PROJECTING AN IMAGE OF COMPETENCE, FAIRNESS AND DETERMINATION (TO THE GENERAL PUBLIC INCLUDING MUCH OF THE OPPOSITION), WHICH WILL ENABLE HIM TO SPEAK DIRECTLY TO THE RANK AND FILE OVER THEIR UNION LEADERS' HEADS.

9. EVEN IF THE 7 OCTOBER TURNED OUT TO BE SOMEWHAT LESS THAN A FAILURE, THE CGT-CFDT WILL HAVE A LONG WAY TO GO BEFORE THEY ARE ABLE TO THWART THE IMPLEMENTATION OF THE BARRE PLAN.
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